

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



**CORRECTED
FISCAL NOTE**

HB 1152 - SB 938

April 5, 2011

SUMMARY OF BILL: Limits non-economic and punitive damages in civil actions to fixed sums, subject to adjustment every three years in accordance with the Consumer Price Index as determined by the Administrative Office of the Courts (AOC). Limits claims for employment discrimination or retaliatory discharge under statutes or common law of Tennessee, including human rights violations, the Tennessee Disability Act, and discharge in retaliation for exercise of rights under the Workers' Compensation Law.

ESTIMATED FISCAL IMPACT:

On March 14, 2011, a fiscal note was issued estimating a fiscal impact as follows:

NOT SIGNIFICANT

Based on additional information provided by the Tennessee Human Rights Commission, the estimated fiscal impact is:

(CORRECTED)

Other Fiscal Impact – According to the Tennessee Human Rights Commission, this bill may jeopardize up to \$600,000 in federal funding per year that would be earmarked for contracts between the Tennessee Human Rights Commission and the U.S. Equal Opportunity Commission and the U.S. Department of Housing and Urban Development.

Assumptions:

- The AOC can periodically adjust caps on non-economic and punitive damages with existing personnel without an increased appropriation or reduced reversion.
- The State of Tennessee and local governments will not experience any significant decrease in claims for alleged violation of the Tennessee Disability Act.

- Claims against employers for alleged retaliatory discharge for asserting rights under Workers' Compensation Law are brought by employees against their private employers and do not affect the fiscal operation of the Department of Labor and Workforce Development.
- The Tennessee Human Rights Commission can conduct additional training and outreach within existing resources without an increased appropriation or reduced reversion.
- No significant impact on the case load of the trial and appellate courts.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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